

BUILDINGS AND FACILITIES

(Dollars in Thousands)	FY 2015 Final	FY 2015 Actuals	FY 2016 Enacted	FY 2017	
				President's Budget	+/- FY 2016
Buildings and Facilities (Budget Authority).....	8,788	8,997	8,788	11,788	3,000

Authorizing Legislation: Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321-399); Public Health Service Act (42 U.S.C. §238); Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. §§471 *et seq.*); National Historic Preservation Act of 1966 (P.L. 89-665; 16 U.S.C. 470 *et seq.*); Chief Financial Officers Act of 1990 (P.L. 101-576); Federal Financial Management Act of 1994 (P.L. 103-356); Energy Policy Act of 2005 (P.L. 109-058); Energy Independence & Security Act of 2007 (P.L. 10-140, 121 Stat. 1492)

Allocation Methods: Direct Federal/Contract

PROGRAM DESCRIPTION AND ACCOMPLISHMENTS

As with the Infrastructure Program, the Buildings and Facilities (B&F) Program ensures that FDA’s offices and labs across the country are optimally functioning to enable FDA to carry out its mission and respond to food safety and medical product emergencies. Investing in FDA’s facility priorities provides the infrastructure and scientific capabilities necessary to ensure FDA can achieve the regulatory responsibilities, strategic priorities, and program initiatives outlined in this document.

Strengthen Organizational Excellence

The B&F Program is a critical element of FDA’s real property asset management program and directly supports FDA’s public health mission. FDA recruits, develops, retains and strategically manages a world-class workforce, improves the overall operation and effectiveness of FDA, and invests in infrastructure to enhance productivity and capabilities.

Under the goal of Organizational Excellence, FDA has demonstrated stewardship by striving to provide high quality, reliable buildings that support FDA’s mission critical work. B&F funding is used to:

- construct new mission-critical laboratory, office, and support space
- renovate, repair site infrastructure and buildings – an inventory of 85 existing FDA-owned facilities at six sites in the United States and Puerto Rico.

HHS developed a Real Property Asset Management Plan (AMP) to outline a framework and holistic approach for acquiring, managing, and disposing of real property assets.

The AMP contains performance measures and benchmarks that monitor key real property asset management criteria, including:

- mission criticality
- utilization
- facility condition
- operating costs.

The physical condition of FDA assets is critical. A safe, suitable, and reliable work environment is essential for FDA to protect the nation’s health, security, and economy. Improving and

maintaining facilities often results in a positive effect on associated utilization and operating costs.

An important component of FDA real property asset management is conducting facility condition assessments on a 5-year cycle to evaluate:

- site infrastructure – utility distribution systems, roads, and sidewalks
- buildings, including physical systems – architectural, civil, mechanical, electrical
- code compliance
- life and other safety conditions
- finishes and aesthetics.

The assessments result in:

- a list of maintenance and repair deficiencies with associated costs known as the Backlog of Maintenance and Repair (BMAR)
- a plant replacement value – the cost to replace an infrastructure item or a facility
- a Facility Condition Index (FCI) score.

The BMAR identifies and estimates costs associated with addressing needed maintenance, repairs, and replacement of equipment and building systems that are approaching – or past – their useful life. The BMAR also identifies and prioritizes short- and long-term projects using B&F funding.

At the end of FY 2015, the BMAR for the six FDA-owned sites, including renewals, was approximately \$139.6 million. Approximately 69 percent of FDA-owned assets have an FCI score below the HHS-established goal of 90 and require significant repairs and improvements.

FDA uses funds to accomplish both mission and BMAR-driven projects. The goal is to improve the condition of these assets and the site infrastructure and to ensure the suitability and reliability of FDA-owned assets.

FDA has 22 labs located at the following six owned sites:

- Gulf Coast Seafood Laboratory, Dauphin Island, AL
- Jefferson Labs Complex (JLC), Jefferson, AR
- Muirkirk Road Complex, Laurel, MD
- Pacific Regional Laboratory SW, Irvine, CA
- San Juan District Office and Laboratory, San Juan, PR
- Winchester Engineering & Analytical Center (WEAC), Winchester, MA.

Activities in FY 2015 and Planned for FY 2016

Gulf Coast Seafood Laboratory – Dauphin Island, Alabama

The Gulf Coast Seafood Laboratory is FDA's sole marine laboratory and represents 80 percent of FDA research capacity for addressing seafood safety.

In FY 2015, FDA initiated projects to replace entrance doors and frames and to replace the handrails and concrete stairs at multiple buildings to meet accessibility codes.

In FY 2016, FDA will design and construct a new Algal Culture System Room to support the local mission and perform an energy audit.

Jefferson Laboratories Complex (JLC) – Jefferson, Arkansas

The Jefferson Laboratories Complex houses the National Center for Toxicological Research (NCTR) and the Office of Regulatory Affairs (ORA) Arkansas Regional Laboratory (ARL). Additional details of the vital scientific research that takes place at the Complex can be found in the NCTR Narrative.

ARL provides analytical laboratory support to FDA's regulatory mission in the Southwest Region. In FY 2015, FDA awarded a project to finish the replacement of the site's main electrical switchgear that is part of a much larger, ongoing project to improve the aged electrical infrastructure at the JLC site. This ongoing project began with a significant, unexpected, campus-wide power outage in the winter of 2010 that led to a need to take immediate action to replace the 60-year-old electrical infrastructure, including the installation of needed emergency power.

In FY 2015, FDA initiated additional site infrastructure projects including:

- completing the replacement of the third of three inefficient and maintenance-intensive boilers and an associated emergency generator
- designing a project to replace a chiller connected to the Campus chilled water loops
- repairing the domestic water system, including designing and installing a new water well and upgrading water treatment controls
- designing and constructing a project to renovate a processing facility that supports animal research on the entire Campus
- replacing HVAC preheat coils.

Building improvement projects were also initiated that include:

- renovating two animal research areas
- developing bridging documents for a project to renovate two critical laboratory and animal research buildings
- replacing large air handlers that serve a critical laboratory, office and vivarium
- completing the third and fourth phases of replacing the HVAC controls in a critical laboratory building
- repairing a freight elevator.

In FY 2016, FDA will:

- design projects to install a new chilled water plant and replace chillers in a critical animal research building
- design a project to replace two backup emergency generators
- design a project to renovate the pathology and archive storage areas
- design a project to renovate the existing data center
- complete the fifth phase of replacing the HVAC controls in a critical laboratory building
- renovate a second processing facility to modernize equipment and the HVAC system that will support animal research on the campus
- design a project to construct a large auditorium in an existing building to support scientific collaboration
- repair campus roads.

Muirkirk Road Complex (MRC) – Laurel, Maryland

The Muirkirk Road Complex is a campus shared by the Foods and Animal Drugs and Feeds programs to conduct research on:

- food and animal drug safety
- toxicology
- microbiology
- molecular biology.

In FY 2015, FDA initiated projects to:

- create additional workstations for laboratory support personnel
- conduct an investment grade audit to identify additional energy conservation measures for the campus
- renovate restrooms to address leaks and reduce water consumption and associated costs
- replace flooring in a critical animal research area
- renovate 10 walk-in freezer boxes
- modify the current utilization of emergency power to use available capacity for mission critical laboratories.

In FY 2016, FDA will:

- install a fire resistant shaft enclosure in a laboratory building to ensure adequate fire safety
- replace a reverse osmosis tank servicing research laboratories
- install a backup generator for a laboratory building
- paint ceilings and walls, and replace flooring in a critical animal research area to ensure animal research accreditation
- replace tile walkway to main entrance that is aged and cracking to eliminate the trip and fall hazard
- create additional workstations for laboratory support personnel
- replace a clean steam generator
- expand conference room and add divider to ensure space supports increased scientific meetings
- pave the road to a large emergency generator for more efficient access.

Pacific Regional Laboratory Southwest – Irvine, California

The Pacific Regional Laboratory Southwest provides analytical laboratory support to FDA's regulatory mission in the Pacific Region.

In FY 2015, FDA initiated projects to design an independent air handling unit and anteroom to service the BSL-3 lab and to renovate offices.

In FY 2016, FDA will design chemical fume hood exhaust modifications for the lab and install additional ventilation in telephone and LAN closets.

San Juan District Office and the National Drug Servicing Laboratory – San Juan, PR

The National Drug Servicing Laboratory specializes in pharmaceutical analysis.

In FY 2015, FDA initiated projects to complete the replacement of interior doors and frames of as well as to modify the access ramp to the main laboratory building.

In FY 2016, FDA will:

- replace the floor finishes in the main administration building
- perform a structural evaluation of the Maintenance Building and make necessary repairs, if possible.

In FY 2016 FDA will also improve the main laboratory by:

- designing, replacing and upgrading the electrical distribution wiring system
- balancing the ventilation system to ensure proper pressurization for safety
- replacing the vacuum system
- installing a distilled water recirculation system.

Winchester Engineering and Analytical Center (WEAC) –Winchester, Massachusetts

The Winchester Engineering and Analytical Center is a specialty laboratory used to:

- test the safety and performance of medical devices, microwaves, and radiopharmaceuticals
- conduct radionuclide testing with food samples
- ensure seafood freshness.

In FY 2015 FDA initiated a project to replace an exhaust fan in a laboratory support room. In FY 2016 FDA will:

- provide humidity control in one lab
- install safety railings on the roof of one building
- make needed improvements to the parking lot.

FUNDING HISTORY

Fiscal Year	Program Level	Budget Authority	User Fees
FY 2013 Actual	\$5,635,000	\$5,635,000	\$0
FY 2014 Actual	\$7,808,000	\$7,808,000	\$0
FY 2015 Actual	\$8,997,000	\$8,997,000	\$0
FY 2016 Enacted	\$8,788,000	\$8,788,000	\$0
FY 2017 President's Budget	\$11,788,000	\$11,788,000	\$0

BUDGET REQUEST

The FY 2017 Budget Request is \$11,788,000, consisting solely of budget authority. This amount is an increase of \$3,000,000 compared to the FY 2016 Enacted level.

Building & Facilities Program: +\$3.0 million

This budget request provides funds to address the most urgent repairs and improvements to sustain the current condition of FDA’s owned facilities – especially labs that enable critical analytical and regulatory functions – and site infrastructure. These resources provide the start of a multi-year need to not only sustain the current condition of FDA’s owned locations, but to also reduce the current FDA BMAR of \$139.6 million, improve the condition of many critical

facilities, address infrastructure and building system renewals, and initiate mission support projects needed by FDA product centers to meet expanding responsibilities and respond to changing science.

FDA's responsibilities continue to escalate as we work to fulfill the mandates of groundbreaking legislation passed in recent years. This expansion of authorities urgently requires that FDA's critical infrastructure at its owned locations is optimally functioning to enable FDA to carry out its mission and respond to food safety and medical product emergencies. This investment will prevent the further deterioration of FDA's owned facilities.

FDA will use the requested resources to fund various projects at the six mission-critical FDA owned sites.

At the Gulf Coast Seafood Laboratory facility, FDA will:

- design and build a new seawall to protect the property and ensure reliability, especially in severe weather
- complete several energy conservation measures to save energy and associated costs, including installation of a geothermal HVAC system, retro-commissioning HVAC controls, converting lighting to LED, and installing photo voltaic cells for power.
- complete a study to improve electrical efficiency in the main laboratory building to protect critical scientific and IT equipment.

At the Jefferson Labs Complex, FDA will:

- complete an additional phase of replacing HVAC controls in a critical laboratory building
- design renovations for a laboratory and an animal research building
- repair the domestic water system in a laboratory building
- renovate a critical animal research area and replace the building HVAC system
- complete the first phase of a project to replace chillers in a critical site chiller plant
- design the consolidation of diet preparation areas for animal research
- install new compressors in the water treatment plant.

At the Muirkirk Road Complex, FDA will replace air handling units that serve the vivarium that are past their useful life.

In the Pacific Regional Laboratory Southwest, FDA will install an independent air handling unit and construct an anteroom for the Biosafety Level 3 laboratory to ensure safe and reliable operations.

In the San Juan District Office and Laboratory, FDA will:

- upgrade and replace the electrical distribution system for the main laboratory building
- modify five building entrances and repair sidewalks and access ramps to meet ADA requirements.

At the Winchester Engineering & Analytical Center, FDA will replace a laboratory ventilation unit past its useful life.

The following table provides an allocation plan by site for use of the FY 2017 funds.

FY 2017 BUILDINGS AND FACILITIES ALLOCATION PLAN

Site	Total
CFSAN Gulf Coast Seafood Laboratory	\$ 1,828,000
Jefferson Laboratories Complex (NCTR & ARL) – Jefferson, AR	7,544,000
Muirkirk Road Complex (MOD1, MOD2, BRF) – Laurel, MD	916,000
ORA Pacific Regional Laboratory SW – Irvine, CA	600,000
San Juan District Office and Laboratory – San Juan, PR	700,000
Winchester Engineering and Analytical Center – Winchester, MA	200,000
B&F Project Total	\$11,788,000

In FY 2017, sustaining the condition of FDA-owned real property assets and site infrastructure will continue to be a priority. Completion of these projects enhances FDA’s ability to achieve its critical mission. In addition, several of these projects will contribute to HHS sustainability goals established in the HHS Strategic Sustainability Performance Plan.

More specifically, projects planned in FY 2017 will help reduce Scope 1, 2, and 3 greenhouse gas emissions¹⁰⁸ by:

- replacing aged, inefficient HVAC controls and equipment
- installation of a geothermal HVAC system
- retro-commissioning HVAC controls
- converting lighting to LED
- installing photo voltaic cells for power
- replacing aged, inefficient and unreliable electrical distribution systems.

¹⁰⁸ More information can be found in the HHS Strategic Sustainability Performance Plan at: <http://www.hhs.gov/sites/default/files/about/sustainability/2014-sustainability-plan.pdf>.

PROGRAM ACTIVITY DATA¹

Facility	Average Facility Condition Index (FCI) Score		
	FY 2015 Enacted	FY 2016 Request	FY 2017 Request
CFSAN Gulf Coast Seafood Laboratory ²	92	92	92
Jefferson Laboratories Complex ³	68	69	71
Muirkirk Road Complex ⁴	82	85	85
ORA Pacific Regional Laboratory Southwest ⁵	97	97	100
San Juan District Office and Laboratory ⁶	76	78	78
Winchester Engineering And Analytic Center ⁷	66	66	66

¹The Backlog of Maintenance and Repairs (BMAR) at each site is significant. Approximately 69 percent of FDA-owned assets have an FCI score below the HHS-established goal of 90 and require significant repairs and improvements. Funding is allocated to projects at each site in an effort to reduce the BMAR and improve the average Facility Condition Index (FCI) for the site. Without ongoing repair and improvement projects, the increase in BMAR each year would result in no change or a decrease in the FCI rather than an increase. Improvements may not be realized in the fiscal year the funds are received due to timing and complexity of the project.

²Based on funding levels in FY 2016 and FY 2017, the BMAR for this site will not decrease. Remaining BMAR for this site is approximately \$350K

³Based on funding levels in FY 2016 and FY 2017 the BMAR for this site will decrease by approximately \$8.66M. Remaining BMAR total will be approximately \$104.3M

⁴Based on funding levels in FY 2016 and FY 2017 the BMAR for this site will decrease by approximately \$2.78 M. Remaining BMAR total will be approximately \$14.2M.

⁵Based on funding levels in FY 2016 and FY 2017, the BMAR for this site will decrease by \$976K. Remaining BMAR for this site is approximately \$48K.

⁶Based on funding levels in FY 2016 and FY 2017 the BMAR for this site will decrease by approximately \$338K. Remaining BMAR total will be approximately \$3.1M.

⁷Based on funding levels in FY 2016 and FY 2017, the BMAR for this site will decrease by approximately \$6K. Remaining BMAR total will be approximately \$4.9 M